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Abstract

This special issue focuses on India as an emergent and major global economy. The various articles selected for this issue provide an interesting set of perspectives that are facing the nation with the world's second largest population. For macromarketing scholars, the issues addressed in this special issue are retail marketing developments; cultural issues concerning the most visible export of India, the "Bollywood" films; consumption choices in this growing economy; the rise of the middle class amid conditions of poverty; the gradual displacement of family businesses; and, finally, the branding of India for international travelers and cultural aficionados. Collectively, these articles make a significant contribution to the macromarketing literature. From a marketing standpoint, the story of resurgent India and the beginnings of a modern consumer economy begins in the early 1990s. That is, in spite of many challenges and some failed experiments, India is moving forward rather rapidly, and there are many critical signs of progress on several fronts. As observed by many, India is a land of contradictions and contrasts. While many languages are spoken in this nation, it is still able to act as a unified body politic and projects a unique national culture. Although nobody claims the country has reached a state of economic bliss, for poverty still haunts India, one can say that things are looking up and India is moving closer to self-sufficiency in some key sectors (e.g., agriculture) and is a global player in others (e.g., IT and software production). With an annual growth rate between 7 percent and 9 percent, India seems to be forging ahead. Other factors key to our analysis are the rise of the transnational elite and the emerging global Indian consumer, the large segment of youthful productive population, an inflow of foreign capital, and advancement of living conditions.

Keywords

Indian economy and culture, India middle class, Indian retail market system

Introduction

Almost 200 years ago, Napoleon Bonaparte is supposed to have said about China, "Let her sleep, for when she wakes, she will shake the world." He could have easily mentioned India, and that would not be farther from truth. Of course, India is not shaking the world—not yet, but it is getting close.

As an emergent economy and the second largest nation in the world in terms of population (1.13 billion and soon to surpass China), India has become a major player in the global economy (Sheth 2011). It is both appropriate and timely that the *Journal of Macromarketing* is devoting a special issue to the essential aspects of the Indian macromarketing scene.

Although India gained independence from British rule in 1947, for more than four decades it pursued a socialist policy that has proved costly (Virmani 2004). The socialist experiment failed completely, and India awakened to an alternative system that would ensure economic growth and social well-being. Under socialist policy, the poor had remained poor and the middle class was deprived of daily comforts while the very rich amassed more wealth. The government attained the dubious distinction of being clueless and somewhat corrupt, and public morality reached a low point. The economy faltered

and the only way out was to loosen up restrictions on commerce and introduce private ownership in some key sectors.

From a marketing standpoint, the story of resurgent India and the beginnings of a modern consumer economy begins in the early 1990s, so to speak (see Venkatesh 1994a, 1994b; Venkatesh and Swamy 1994). That is, in spite of many challenges and some failed experiments, India is moving forward rather rapidly, and there are many critical signs of progress on several fronts (Panagariya 2008). As observed by many, India is a land of contradictions and contrasts (Tharoor 2007). While many languages are spoken in this nation, it is still able to act as a unified body politic and projects a unique national culture (Sen 2003). Although nobody claims the country has reached a state of economic bliss, for poverty still haunts India, one can say that things are looking up and India is moving closer to self-

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sufficiency in some key sectors (e.g., agriculture) and is a global player in others (e.g. IT and software production; Chaminade and Vang 2008). With an annual growth rate between 7 percent and 9 percent, India seems to be forging ahead (Tendulkar 2010). Other factors key to our analysis are the rise of the middle class (estimated at 250 million) and the emerging global Indian consumer (Bijapurkar 2007, 2009; Srinivas 2008), the large segment of youthful productive population, an inflow of foreign capital, and advancement of living conditions.

As this issue is prepared for publication, India is in a very respectable group known as BRICS (Brazil, Russia, India, China and South Africa). This is a mark of distinction and a testimony to the fact that India is in elite company in the context of emerging economies (Sheth 2011). Of course, BRICS is no longer an isolated small group; many other countries have begun to show great promise and are attaining a similar distinction. Shultz's (2012) recent work on Vietnam is a case in point.

In assembling the articles for this special edition, our aim is to cover a sampling of significant issues that capture some main themes. As the special issue editor, I have had the opportunity to compile some evocative articles, but in no sense do they do justice to the myriad of macromarketing issues one can identify in the Indian context. However, they are certainly representative.

Contributions to the Special Issue

In the first of the articles for this special issue, in a rather eloquent analysis of the retail scene, Nikhilesh Dholakia, Ruby Roy Dholakia, and Atish Chattopadhyay demonstrate how structurally and sociologically the retail environment is transforming the Indian market scene. Of course, no visitor to India can fail to see the revolutionary changes taking place in the retail environment. As the authors point out, "the bedrock of retail in India" has been the small retail stores located in convenient neighborhoods and accessible to everyday consumers. However, this is changing dramatically and quite visibly, especially in urban and metropolitan areas. The growth of modern retail stores—both chain and independent stores—in selected markets is a major instrument of change. Retail marketing is no doubt closely related to brand marketing. The authors provide an exhaustive and compelling analysis of retail transformation, implying that the trend toward becoming a market economy cannot be complete without such a retail transformation. The authors go on to point out how India's retail revolution is different from what is happening in other emerging markets such as China and Brazil. This is a very important insight for macromarketers who have an abiding interest in comparative institutional mechanisms and economic systems.

A major part of this article is describing the traditional retail systems within the Indian context and how they are the lifeblood of everyday commerce. The traditional retail stores are not only ground-level economic agents but also are social systems dominated by certain caste structures that are unique to India. The authors provide a powerful theoretical basis for their

analysis of a retail system that is being encroached upon by department stores and conglomerates.

Finally, as the authors show, the Indian retail scene cannot be accounted for in terms of established macro theories of retailing that we have been exposed to in the American or Western European context. This is because of the history, geography, and traditions within the Indian context. A valid question is whether there is any reason to believe that such established retailing institutional structures will be replaced by more modernistic, globally oriented retailing phenomena. There is some evidence that this is happening, especially in large urban or metropolitan areas. Small retail stores continue to flourish and seem to be well entrenched, though this is not as universal or pervasive a trend as it once was. As the authors show, the jury is still out on whether the entire nation is undergoing transformation.

In the next article by Amandeep Takhar, Pauline Maclaran, and Lorna Stevens, although the context is South Asian Community (i.e., Sikhs) outside India in Britain, it certainly speaks to an important development in the Indian cultural context with global implications. A major and unexpected contribution of India to the global popular cultural scene is undoubtedly the "Bollywood" phenomenon that is the product of the Indian movie industry and aesthetic populism. This global reach has been accomplished through Hindi (the most dominant language in India) films that are widely distributed all over the world. The authors provide a very interesting case study of how Indian culture is now exported globally to feed into Indian diasporic consciousness that has taken root in different countries that were once part of the British empire, and where Indian traders and workers migrated over the last century. The context of this study is the Sikh community in Britain, which, according to the authors, seems to embrace Indian cultural ideals as represented in Bollywood films. What is central to the narrative is that Bollywood films are not simply modes of entertainment but represent a source of cultural values that are adopted by Indians living abroad. Sikhism is a religious movement that began in the fifteenth century and is deeply rooted in the Northwestern part of India. Through the Sikh community in Britain, the authors provide a very detailed account of the diasporic consciousness that Bollywood generates.

Although as a cinematic form, Bollywood films are known for excessive song and dance performances, they also deal with marriage, family and community issues, and other social manifestations of everyday life concerns. It is the cultural and social aspects of these films that the authors explore through in-depth interviews. Thus they uncover three core themes: reaffirming pride in Indian heritage, evoking romance and longing, and reinforcing family values. Although the empirical focus is limited to the British Sikh community, one cannot escape some possible generalizations to wider sections of Indian settlers not only in Britain but other Indian diasporic locations including the United States. The macromarketing implications of the article are certainly in the area of how a single industry, movies, can generate cultural frameworks and symbols so powerful that consumers absorb them in everyday consumption patterns.

This seems to confirm the cliché, “I have left India but India has not left me.”

In the third article by Giana Eckardt and Humaira Mahi, the authors examine how as India begins to transition into a global consumer society, all does not appear to be going smoothly. Various forces act and interact giving rise to a variety of tensions. At one level, we are witnessing the transformation from an agrarian economy to an industrial economy and on to a digital economy. Of course, this experiment started some years after India gained independence. The original route taken was through a socialist experiment, and it became very clear in the 1980s and early 1990s that this was not as successful as originally intended. However, with the rising neoliberalism all over the world, India soon realized that the next experiment should be more (free) market oriented. This would involve transforming the social order from within and competing vigorously in the global economic playground. Within the country, with various forces of consumption coming into play, and consumers actively participating in the consumption game, tensions are bound to appear, culturally and structurally. A main thesis of the authors is that while the doors of consumption are now open, “it is erroneous to assume that consumers will always perceive an increase in choice in the marketplace as a benefit.” The authors go on to examine middle-class consumers in an urban environment. Based on extensive interviews, they find that “proliferation of new products” does indeed lead to tension between “traditional ways of being and modern ways of consuming.” Thus, tradition and modernism collide at the macro level and give rise to marketplace tensions at the micro level. The authors point out the strategies adopted by consumers, which extend from “self-regulation” to gaining social validation through conspicuous consumption. Of course, in some instances, cultural norms prevail, but it will be interesting to see if market forces take over while Indian consumers begin to act in the same way as their global counterparts in developing countries.

In the next article for the special issue, Julien Cayla and Mark Elson delve deeply into the formation of India’s cosmopolitan and vernacular middle class—a distinction that is most appropriate in understanding the emerging consumer society. The authors examine the contemporary scene via the lens of *India Today*, a popular magazine published both in English and in Hindi.

Their main argument is that the magazine’s readership—the rising Indian middle class—indeed consists of two different audiences, one the English-savvy middle class and the other the Hindi-speaking middle class. Typically, we tend to think of middle class in terms of demographic characteristics (e.g., income) and thus are able to distinguish between upper- and lower-middle classes based on income and earnings. While this is certainly true of India, the authors point out that the same magazine caters to different tastes and cultural norms based on linguistic dispositions. From this, they logically argue that the population the magazine focuses on responds to the cosmopolitan and vernacular distinction but can be extended to a broader canvas at a global level.

In making their arguments, they not only go into substantive issues but also compare *India Today* with *Time* magazine, which has attained a global appeal. In mimicking *Time* magazine, *India Today* is trying to establish itself as a global player within the Indian context. For example, it attempts to appeal to the Indian elite who may also be reading *Time*. Conversely, the Hindi version of *India Today* uses local idioms and provides an aspirational medium to the vernacular class.

A major part of the analysis looks at the advertisements in the English and Hindi versions and how the messages are translated as appropriate to the linguistic medium. In order to be consistent and make the linguistic distinctions credible, the authors look at the articles published in these different media. To engage the reader in this exercise, they use the notion of translation and selective omission and demonstrate that translations are not literal but contextual and linguistic. According to the authors, “The advertisements in the glossy pages of the English edition target the Westernized upper and upper-middle classes by evoking a sense of the global gaze of cosmopolitan Indians and capturing the desire to see themselves as successful global citizens.” Using the language of the readership as the basis for the distinction, the authors provide a clear analysis of how middle-class tendencies vary, and what this means to the understanding of marketing practices and the formation of consumer tastes and behaviors. The authors also demonstrate how urban population segments differ from nonurban populations. For example, if one examines the microcosm of the elite middle-class in Mumbai or Delhi or any other large city, their tastes tend to be global. This point is insightfully elaborated by Aijaz Ahmad (1992), who introduced the notion of “metropolitanism” as an alternative to cosmopolitanism. For example, Ahmed argues that in the global context, an educated professional living in a city like Mumbai can easily adapt to New York, Tokyo, London, or Seoul and vice versa. In fact, an urbanite from Mumbai will be a misfit in a smaller town in India while he or she can easily adjust to a larger city anywhere in the world. In a similar fashion, Knox and Taylor (1995) refer to upper echelons of city dwellers in the global context as “transnational elite” or the “new bourgeoisie.” This demonstrates that globalization is a common theme across many metropolitan centers in the world where consumer segments share similar consumption tastes and habits. Thus, this distinction between “global” and “local” on one hand, and “cosmopolitan and vernacular” on the other is very cogently argued and convincingly stated by the authors. This reminds us of the movement toward “glocalization” (Robertson 1995).

The lesson for macromarketers is that India not only represents linguistic segments, but, based on whether the language of idiom is English or vernacular (i.e., Hindi), the marketing consciousness varies within the same population. For macromarketers, this article provides a unique opportunity to understand the role of language-based distinctions that translate into global/local and cosmopolitan/vernacular accents of consciousness and behaviors.

As India begins to surge forward in the global economic scene, the macroeconomic and macromarketing implications

are bound to be profound. In a commentary by Gopal Iyer, Jagdish Sheth, and Arun Sharma, the authors explore how India is on the verge of becoming an “economic giant,” but the path to economic glory is not without challenges and impediments. First, they remind readers that it is more appropriate to describe India as a “resurging economy” rather than as an “emerging economy” given that centuries ago, India was a major player in the global economic and cultural scene. But the current path to economic success is not going to be smooth, for there are many roadblocks and impediments on this route to progress. The authors cite three factors in this regard: first, Indian infrastructure remains weak and needs strong reinforcement; second, the literacy level of the Indian population is uneven if not low; and third, the Indian business environment is governed by outmoded or traditional family businesses that are splintered and unsophisticated. In spite of these shortcomings, there are pockets of unusual growth and development. There is growing optimism in many sectors of economic and social life, and there are advancements in trained IT personnel along with growth in the IT sector, which has attained global standards and a well-functioning political order and set of well-established democratic and legal institutions.

The authors provide a critical analysis of various factors that contribute to Indian economic growth as well as factors that slow down this progress. In the final analysis, as the authors argue, the Indian economic scene will come out as a successful experiment in the twenty-first century.

The second commentary article by Finola Kerrigan, Anne-Marie Hede, and Jyotsna Shivanandan takes us into a different realm—that of image building in the global landscape. As India begins to establish itself as a major player in the global economic and cultural scene, a central challenge facing the country as a whole at a macro level is how to project the right or best image as a destination not only for investors but also for tourists. With global travel to emerging economies like India on the rise, and as the curiosity begins to fade, these countries cannot afford to stay in the background and expect visitors to factor them into their travel plans on an ongoing basis. Much effort is needed in this global competitive environment. As the authors discuss in their article, in order to present itself as tourist destination, the Indian Government launched the *Incredible India Campaign* (IIC), which is an example of image marketing at the national level. Of course, the most well-known and recent campaign for marketing of a region is “I Love New York” (I ♥ New York), which has become legendary for its tourist appeal and success both within the United States and abroad. In their analysis, the authors point out some important underlying issues in nation branding. Certainly, the postcolonial condition in the context of globalization is a very important element. At the same time, the authors point out that image-building should avoid stereotypical images (e.g., the orient), but instead should carefully orchestrate the real and imagined processes that project a different set of images.

Somewhat different from the other articles, a media review by Terrence Witkowski provides a detailed critique of a recent film, *Sita Sings the Blues*, which is a cinematic rendition of the

Indian epic, *Ramayana*, as told by the main female character, Sita. Produced and animated by the comic artist Nina Paley, it is a modernistic/postmodernistic interpretation and retelling of the Ramayana story. In this electronic age, it seems fitting that new genre of storytelling is emerging as part of global cultural translations. As Witkowski tells us, “Some faultfinders on the left have said the film represents a Western, neocolonialist point of view. Paley’s vision of the Ramayana is undoubtedly influenced by her American upbringing, but also by her creative understanding of and fondness for Indian art and imagery. Culture travels and fuses with other cultures.” Undoubtedly, we will see newer interpretations of established myths and novel ways of nation branding as we journey into the twenty-first century.

Conclusions

This special issue focusing on India should be a welcome addition to the macromarketing literature. The various articles selected for this issue provide an interesting set of perspectives that are facing the nation with the world’s second largest population. We do not make any claim that our analysis is exhaustive, but only that it is timely and representative. For macromarketing scholars, the issues addressed in this special issue are retail marketing developments; cultural issues concerning the most visible export of India, the “Bollywood” films; consumption choices in this growing economy; the rise of the middle class amid conditions of poverty; the gradual displacement of family businesses; and, finally, the branding of India for international travelers and cultural aficionados. Collectively, these articles make a significant contribution to the macromarketing literature.

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Bio

Alladi Venkatesh is a professor of Management and Associate Director, CRITO (Center for Research on Information Technology) University of California, Irvine, USA. He is the past coeditor of *Consumption, Markets and Culture*. He was a Senior Fellow of the American Institute of Indian Studies (AIIS, University of Chicago) and conducted field work in India. His scholarly publications have appeared in various journals, including the *Journal of Macromarketing*, *Journal of Marketing*, *Journal of Consumer Research*, *Management Science*, *European Journal of Marketing* and several others. He is a recipient of the best paper award from the *Journal of Consumer Research* for his work on postmodern consumer culture. He is a coeditor of a book titled *ICT for the Next Billion*, published by Springer (2007) focusing on technology diffusion in the developing countries.